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SUBJECT: PRESIDENT DECLARES "TOTAL WAR ON CORRUPTION"

11. (SBU) Summary: President Mutharika reaffirmed his commitment to the country's anti-corruption drive at National Anti-Corruption Day on February 5. In a speech launching an anti-corruption survey, Mutharika proclaimed his "position against corruption is even stronger today than it was three years ago." The President also lashed out at his political enemies, linking them with corruption and urging Parliament to reconsider his choice for Director of the Anti-Corruption Bureau (ACB). The government also reported on the ACB's results from the past year and announced plans to develop a national strategic plan against corruption at the well-attended event. End Summary.

"Corruption is Everywhere"

- 12. (SBU) In his speech President Mutharika admitted that corruption is a challenge in all facets of Malawian society, including the "government, the private sector, civil society and churches and mosques." He specifically mentioned one case, among others, in which the Sheraton hotel chain had been deterred from investing in Malawi due to a demanded pay-off from an unnamed Malawian official.
- 13. (SBU) Mutharika also used the platform to castigate the opposition, accusing them of trying to block the anti-graft campaign. The President singled out the Chairman of Parliament's Public Appointments Committee (PAC) and opposition MP Joseph Njobvuyalema, calling on the PAC chairman to explain what the committee meant when it called the anti-corruption nominee "qualified but unsuitable." PAC has rejected a number of recent presidential appointments, including Mutharika's pick for ACB Director, in closed-door sessions while refusing to explain the rationale for their decisions. Mutharika vowed to nominate his ACB Director candidate--currently serving as the Bureau's Acting Director--again and accused Njobvuyalema of being "connected to corruption." Failing an explanation or confirmation, Mutharika appealed to civil society to push for his dismissal.

Corruption Baseline

14. (U) The government centered the 2007 National Anti-Corruption Day around the launch of a Governance and Corruption Baseline Survey which rated public perceptions of corruption within various government institutions. Among other findings, the survey, conducted largely in 2005, reported that almost 90 percent of Malawians view corruption as a "serious problem" in Malawi, while 70 percent believe that corruption has gotten worse over the past ten years. Nearly 60 percent of the public says it is common for average citizens to bribe public officials, and

public officials say that bribes account for over 23 percent of their monthly salaries.

- 15. (SBU) ACB Acting Director Tumalisye Ndovi also gave a speech in which he outlined the Bureau's successes over the past year, including the completion of 358 investigations resulting in 17 convictions, with 60 cases remaining at various stages in the judicial process. Ndovi vowed to leave "no stone unturned" in the war against corruption, which, he said, has "no time limit" and urged Malawians to come forward with reports if they encounter corrupt officials. Additionally, representatives from the executive, legislative and judicial branches of government, civil society, the business community, donors and traditional chiefs signed an Anti-Corruption Declaration outlining their respective commitments to fighting graft.
- 16. (U) The ACB, which commissioned the survey along with the British Government, plans to follow up the launch with a series of regional workshops on corruption throughout Malawi. The ACB then plans on developing a national Strategic Plan Against Corruption, laying out the GOM's strategy for combating corruption in both the private and public sectors. Representatives of the private sector and civil society also announced initiatives to combat corruption, including a new business code of conduct. Minister of Justice and Constitutional Affairs Bazuka Mhango used his speech to decry corruption in civil society, saying that NGOs were "public sector" organizations who should be accountable to their beneficiaries, not only to their benefactors and those who make a living within them.

Comment

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- 17. (SBU) Mutharika used the day's event to try and put the focus back on Malawi's anti-corruption campaign -- a centerpiece of his presidency -- but an area where commitment seemed to slack following last year's controversy over the one-day arrest and questioning of former President Muluzi, and the resultant removal of the ACB Director for arresting him then the Director of Public Prosecutions for dismissing the charges shortly thereafter. As Mutharika admitted in his remarks, corruption, though certainly less widespread than it was at the peak of abuse under Muluzi, remains a major problem in Malawi. Large scale corruption, especially involving outside investors, hampers the President's ambitious economic development program. Small scale corruption corrodes respect for government and its institutions; as several speakers prominently noted, Parliament and the political parties in Malawi are low-rated in the corruption survey. Thus the intention to redouble efforts against corruption and renew the focus on the campaign against graft is laudable -- if there is follow-through aside from donor-funded workshops.
- 18. (SBU) It is now clear that the politicization of the anti-corruption program is complete. This is not to say that the administration uses anti-corruption as a political weapon; there have been no retaliatory or pre-emptive arrests on trumped-up corruption charges, nor trumpeted frivolous charges that mysteriously go away (This is not to say there are no politically motivated prosecutions in Malawi -- for example, the current treason case against the Vice president and a half dozen more we could name -- but anti corruption legi{lation and institutions have not so far been used extensively in this way). Instead, the problem in 2005 was Malawi's paralyzed political system, which seems incapable of addressing this question without a long process of calculation among the leaders, in which they seek to predict the effect of action on corruption on the relative balance of the three major political forces in the National Assembly, and more importantly on their

chances to assume the Presidency in the 2009 election. On its party, the government has a "with us or against us" attitude. Since dhe campaign against corruption represents a potent political tool for the government, the opposition is extremely wary of the effort overall. On the one hand they do not wish to give Bingu any more tools than he already has which could be used against them for misdeeds real or imagined. Nor do the opposition leaders wish to open themselves up to charges that they are pro-corruption. This delicate balancing leads to lots of rhetoric and innuendo thrown back and forth but little concrete action.

 $\underline{\mbox{1}} 9 \,.$ (SBU) At the moment, the focus of this calculation of relative standing is on the anti-corruption bureau (and other public appointments). In addition to the rejection of Mutharika's ACB Director candidate, PAC has rejected presidential nominations for Inspector General of the Police, Director of Public Prosecutions, and several of diplomatic appointments. Committee chairman Njobvuyalema, who is a Malawi Congress Party M.P., has repeatedly asserted that his committee has no/no responsibility to explain its decisions, nor to open up their meetings to the public. Mutharika has been equally stubborn, often rejecting PAC's decisions and nominating the same candidate again while appointing them to "acting" status, as with Mr. Ndovi, or to a position not requiring parliamentary assent. This has resulted in an increasing number of important government positions at home and abroad going unfilled, or being filled through questionable measures (i.e., extended "temporary" appointments). With no end to the standoff in sight, the quarrel between the President and the Committee Chair should be a key issue during the next session of Parliament in late February.

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